

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

SOVEREIGN BANK,	:	
	:	
Plaintiff,	:	
	:	
v.	:	C.A. No.
	:	
TERWIN HOLDINGS LLC and	:	
TERWIN EMPLOYEES LLC,	:	
	:	
Defendants.	:	

NOTICE OF REMOVAL

TO: The United States District Court Clerk
for the District of Delaware

Pursuant to 28 U.S.C. §§ 1332, 1441, and 1446, Defendants Terwin Employees LLC ("Terwin Employees") and Terwin Holdings LLC ("Terwin Holdings") hereby remove this case, instituted by Plaintiff, Sovereign Bank, from the Superior Court of the State Delaware in and for New Castle County, to this Court, without waiver of any defenses, procedural or substantive, and without waiver of any counterclaims. Defendants Terwin Employees and Terwin Holdings allege the following bases for removal:

1. Sovereign Bank commenced this action by filing a Complaint in the Superior Court of the State of Delaware in and for New Castle County, on January 25, 2008, against Terwin Holdings and Terwin Employees. A copy of the Complaint and the ancillary filings are attached to this Notice of Removal as Exhibit A.

2. The Complaint was first received by Terwin Holdings and Terwin Employees via electronic mail on January 25, 2008.

3. In its Complaint, Sovereign Bank alleges that it is a federally chartered savings bank. Sovereign Bank has a principal place of business and home office located in Wyomissing,

Pennsylvania. (*See* Ex. A ¶ 1). Therefore, for purposes of this Court’s diversity jurisdiction, Sovereign Bank is a citizen of Pennsylvania

4. Terwin Employees is a Delaware limited liability company with twelve members. (*See* Ex. B, Decl. Richard Chun ¶ 3). Those members are persons who are domiciled in California, New Jersey and New York. (*Id.*). Specifically, the members of Terwin Employees are Kimberly Maska and Patrick Doyle who are citizens of California; Christopher Consoli, Barbara Chell, Gerald Casey, and James Sauer who are citizens of New Jersey; and Richard Winter, Thomas Guba, Karey Geddes, Alex Hendrickson, Robert Sypher, and John Tartaglia who are citizens of New York. (*Id.*). Therefore, for purposes of this Court’s diversity jurisdiction, Terwin Employees is a citizen of California, New Jersey, and New York.

5. Terwin Holdings is a Delaware limited liability company with two members: Terwin Employees, and Lexia Yugen Sekinin Jigyo Kumiai (“Lexia”), a Japanese limited liability partnership. (*Id.* ¶ 2). As set forth above, the members of Terwin Employees are persons who are domiciled in California, New Jersey and New York. (*Id.* at ¶ 4). Those partners that constitute Lexia are Shinsei Bank and Shinsei Trust, Japanese banking entities with principal places of business in Japan. (*Id.*). Therefore, for purposes of this Court’s diversity jurisdiction, Terwin Holdings is a citizen of California, New Jersey, New York, and Japan.

6. Sovereign Bank alleges, among other things, that Terwin Holdings and Terwin Employees are “jointly and severally liable to Sovereign [Bank], in an amount to be determined at trial, but not less than \$43,428,781.19, plus accruing interest and expenses” (*See* Ex. A ¶ 42). Accordingly, the amount in controversy in this action exceeds \$75,000, exclusive of interest and costs.

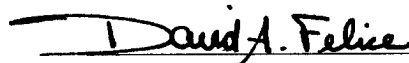
7. Accordingly, this Court has original jurisdiction over this action, pursuant to 28 U.S.C. § 1332, because the dispute is between citizens of different states, and because the amount in controversy exceeds the sum or value of \$75,000, exclusive of interest and costs.

8. This notice is being filed within 30 days of January 25, 2008, the date on which Terwin Employees and Terwin Holdings first learned of this action.

9. In accordance with 28 U.S.C. § 1446(d), Terwin Employees and Terwin Holdings have given contemporaneous written notice of this Notice of Removal to all parties and to the Prothonotary of the Superior Court of the State of Delaware in and for New Castle County. (*See* Ex. C, Notice of Filing of Notice of Removal.)

WHEREFORE, Terwin Employees LLC and Terwin Holdings LLC respectfully request that this Court assume jurisdiction of this action and enter such other and further orders as may be necessary to accomplish the requested removal and promote the ends of justice.

Dated: February 13, 2008



Joseph J. Bellew (#4816)

David A. Felice (#4090)

Cozen O'Connor

1201 North Market Street, Suite 1400

Wilmington, DE 19801

Telephone: (302) 295-2000

Facsimile: (302) 295-2013

Attorneys for Defendants

Terwin Employees LLC and Terwin Holdings LLC

Of Counsel:

William J. Taylor, Esquire
John C. Barnoski, Esquire
Stuart A. Weiss, Esquire
Cozen O'Connor
1900 Market Street
Philadelphia, PA 19103
Telephone: (215) 665-2000
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EXHIBIT A

IN THE SUPERIOR COURT OF THE STATE OF DELAWARE
IN AND FOR NEW CASTLE COUNTY

SOVEREIGN BANK,	:	C.A. No.
Plaintiff,	:	
	:	NON-ARBITRATION
v.	:	
	:	COMPLAINT
TERWIN HOLDINGS LLC and	:	
TERWIN EMPLOYEES LLC,	:	
	:	
Defendants.	:	

COMPLAINT

Plaintiff, Sovereign Bank ("Sovereign" or "Plaintiff"), by and through its undersigned attorneys, hereby complains of Defendants, Terwin Holdings LLC ("Holdings") and Terwin Employees LLC ("Employees") (collectively, "Defendants"), as follows:

Jurisdiction and Venue

1. Sovereign is a federally chartered savings bank with its principal place of business located at 1130 Berkshire Boulevard, Wyomissing, Pennsylvania 19610.
2. Holdings is a Delaware limited liability company and may be served with process through its registered agent in Delaware, Registered Agent Solutions, Inc., 32 W. Loockerman St., Suite 201, Dover, Delaware 19904.
3. Employees is a Delaware limited liability company and may be served with process through its registered agent in Delaware, Registered Agent Solutions, Inc., 32 W. Loockerman St., Suite 201, Dover, Delaware 19904.
4. Jurisdiction and venue are proper in this Court.

Nature of the Case

5. Notwithstanding the complexity of the underlying transactions at issue, this is a straightforward breach of contract case.

6. As set forth below, Defendants are guarantors and sureties with regard to a binding written agreement entered into by and between Sovereign and Terwin Advisors LLC ("Advisors").

7. Advisors has materially breached its agreement with Sovereign and owes Sovereign in excess of \$43,000,000, plus contractually agreed upon interest and attorneys' fees.

8. As a result of their Guaranty and Suretyship agreements with Sovereign, Defendants herein are jointly and severally liable to Sovereign for an amount in excess of \$43,000,000, plus contractually agreed-upon interest and attorneys' fees.

Facts

Master Repurchase Agreement

9. On March 31, 2004, Sovereign and Advisors entered into a Master Repurchase Agreement.

10. The Master Repurchase Agreement has been amended six times. The Master and Repurchase Agreement, as amended, shall be referred to hereinafter as the "Agreement."

11. The Agreement memorialized a master repurchase facility, whereby Sovereign agreed to periodically buy from Advisors, and Advisors agreed to periodically sell to Sovereign, certain "Purchased Assets," including, initially, mortgage loans, and later, mortgage loans and related securities, which Advisors would subsequently repurchase at prices certain on dates certain, pursuant to the Agreement.

12. Section 5(f) of the Agreement, as amended in May 2007, provides: "Seller agrees to repurchase the Purchased Assets on the Repurchase Date at the Repurchase Price."

13. Section 12 of the Agreement provides that Sovereign and Advisors each has the rights set forth in Section 13 if any of several Events of Default occurs. Among other things, Section 12 provides that Advisor's default in the payment of any Repurchase Price due constitutes an Event of Default.

14. Section 13 of the Agreement generally sets forth the Remedies of the parties following an Event of Default. Among other things, Section 13(a)(2) makes Advisors' obligations to repurchase any purchased assets immediately due and payable, and that section, along with Section 13(d), provides that interest shall accrue at a Post-Default Rate.

15. The Agreement provides that Advisors shall be liable to Sovereign, "payable as and when incurred by [Sovereign], for (A) the amount of all actual out-of-pocket expenses, including reasonable legal or other expenses incurred by [Sovereign] in connection with or as a consequence of an Event of Default, and (B) all direct costs incurred in connection with hedging or covering transactions." Agreement § 13(a)(6).

16. Sovereign may enforce its rights and remedies under the Agreement without prior judicial process or hearing, and Advisors expressly waived any defenses it might otherwise have to require Sovereign to enforce its rights by judicial process. Agreement § 13(c).

Guaranty and Suretyships

17. In March 2004, Sovereign entered into substantially identical Guaranty and Suretyship agreements with Holdings and Employees ("**Holdings and Employees Guaranty and Suretyship**"). Under the Holdings and Employees Guaranty and Suretyship, Holdings and Employees "irrevocably and unconditionally jointly and severally" guaranteed and became

sureties to Sovereign for "the prompt payment when due, whether by acceleration or otherwise, of [Advisors'] liabilities." Holdings and Employees Guaranty and Suretyship § 2.1.

18. Under § 2.4 of the Holdings and Employees Guaranty and Suretyship, Holdings and Employees waived: notice of acceptance of the Guaranty, notice of the creation of any of Advisors' Liabilities, presentment, demand for payment, protest, notice of dishonor, notice of nonpayment of any of Advisors' Liabilities, notice of suit or any other action by Sovereign against Advisors and/or the Guarantor, and any other notice to Advisors and/or the Guarantor.

19. Section 5.1 of the Holdings and Employees Guaranty and Suretyship provides:

5.1 Events of Default. The occurrence of any one or more of the following shall be deemed an Event of Default hereunder:

(a) The occurrence of an Event of Default under and as defined in Section 12 of the Master Repurchase Agreement.

(b) Failure by the Guarantor to pay any monies due under this Guaranty upon demand by [Sovereign].

(c) Failure by the Guarantor to observe or perform any other covenant, condition, term, or provision contained in this Guaranty, if such failure continues for a period of ten (10) days or more after written notice from [Sovereign].

20. Sections 5.2(a) and (d) of the Holdings and Employees Guaranty and Suretyship provides:

5.2 Remedies. Upon the occurrence of an Event of Default:

(a) [Sovereign] may, at its option and upon notice to [Advisors] or the Guarantor, make [Advisors'] liabilities, whether or not then due, immediately due and payable under this Guaranty as to the Guarantor and [Sovereign] shall be entitled to enforce [Advisors'] Liabilities against the Guarantor;

(d) [Sovereign] may exercise any of its rights and remedies provided by this Agreement, any of the Repurchase Documents or the laws of the Commonwealth of Pennsylvania or any other jurisdiction....

21. Section 5.3 of the Holdings and Employees Guaranty and Suretyship provides:

[Sovereign]'s Expenses. The Guarantor shall pay to [Sovereign] all reasonable costs and expenses, including filing fees and reasonable attorneys' fees, incurred by [Sovereign] in connection with the custody, care, preservation or collection of any of the Property, or in any proceedings to collect any of the Guarantor's Liabilities.

22. The parties waived the right to a trial by jury. Holdings and Employees Guaranty and Suretyship § 6.12.

Transactions

23. On June 19, 2007, July 2, 2007, and August 22, 2007, Sovereign purchased mortgage loans from Advisors pursuant to the Agreement ("Transactions").

24. The Repurchase Date for the assets purchased in connection with the Transactions ("Purchased Assets") was on or before September 14, 2007.

25. On September 14, 2007, Sovereign and Advisors agreed to extend the Repurchase Date for the Purchased Assets to on or before December 13, 2007.

26. In October, 2007, some of the purchased mortgage loans were securitized, and in November, 2007, the parties amended the Agreement to include within the definition of "Purchased Assets" the securities issued to Sovereign in connection with the securitization.

Event of Default

27. On November 26, 2007, in a letter to Advisors, Sovereign agreed for the present to forbear from declaring Events of Default by Advisors for, among other things, failing to repurchase the Purchased Assets at the agreed-upon Repurchase Price on the agreed-upon and

extended Repurchase Date, and likewise agreed to forbear for the present from pursuing Sovereign's resulting remedies against Advisors, but reserved the right to declare such Events of Default and to pursue all available remedies under the Agreement.

28. On December 13, 2007, *i.e.*, the agreed-upon and extended Repurchase Date, Advisors failed to repurchase the Purchased Assets at the agreed-upon Repurchase Price.

29. On December 18, 2007, Sovereign gave written notice to Advisors that it was declaring an Event of Default under the Agreement because of Advisors' failure to repurchase the Purchased Assets on the agreed-upon and extended Repurchase Date at the Repurchase Price.

30. On January 3, 2008, Sovereign gave written notice to Advisors, with copies sent to Holdings and Employees, that if an acceptable agreement concerning the proposed restructuring were not reached by January 10, 2008, Sovereign intended to exercise some or all of its rights and remedies under the Repurchase Documents and otherwise under applicable law, against, among others, Advisors, Holdings and Employees.

31. Sovereign and Advisors did not reach an acceptable agreement concerning the proposed restructuring by January 10, 2008.

32. Advisors presently owes Sovereign \$43,428,781.19, plus accruing interest and expenses, including attorneys' fees.

33. Sovereign has demanded payment.

34. Sovereign is ready, willing and able to perform all of its obligations under the Agreement.

35. To date, Advisors has failed to pay Sovereign as required by the Agreement.

COUNT 1: BREACH OF CONTRACT

36. Plaintiff hereby incorporates paragraphs 1 through 35 of this Complaint as if fully restated herein.

37. Sovereign and Advisors entered into a binding, written Agreement.

38. Advisors materially breached the Agreement by failing to pay Sovereign the agreed-upon repurchase price for the purchased assets on the agreed-upon and extended Repurchase Date.

39. Advisors is in default under Section 12 of the Agreement.

40. Sovereign declared an Event of Default and gave all requisite notice under Sections 12 and 13 the Agreement.

41. Holdings and Employees also entered into binding, written Guaranty and Suretyship agreements with Sovereign.

42. As guarantors and sureties for the prompt payment when due of Advisors' liabilities pursuant to the Holdings and Employees Guaranty and Suretyship agreements, Holdings and Employees are jointly and severally liable to Sovereign, in an amount to be determined at trial, but not less than \$43,428,781.19, plus accruing interest and expenses.

WHEREFORE, Plaintiff Sovereign Bank prays for relief against Defendants Terwin Holdings LLC and Terwin Employees LLC as follows:

- (a) That the Court enter judgment against Terwin Holdings LLC and Terwin Employees LLC, holding them jointly and severally liable to Sovereign, pursuant to the Holdings and Employees Guaranty and Suretyship agreements;
- (b) That the Court award compensatory and consequential damages to Sovereign in an amount to be determined at trial, but not less than the Repurchase Price plus interest thereon at the Post-Default Rate, pursuant to Sections 13(a)(2) and 13(d) of the Agreement, pursuant

to the Holdings and Employees Guaranty and Suretyship agreements;

- (c) That the Court award all actual out-of-pocket expenses incurred by Sovereign, including reasonable legal or other expenses, and any other costs recoverable under the Agreement, in connection with or as a consequence of Advisors' breach, pursuant to Section 13(a)(6) of the Agreement, pursuant to the Holdings and Employees Guaranty and Suretyship agreements;
- (d) That the Court award pre-judgment and post-judgment interest to Sovereign, as permitted by law, in addition to the default interest provided in the Agreement, pursuant to the Holdings and Employees Guaranty and Suretyship agreements; and
- (e) That the Court award such other, additional and separate relief as the case may require and/or that the Court may deem just and proper under the circumstances.

Dated: January 25, 2008

STEVENS & LEE, P.C.

By *Joseph H. Huston, Jr.*

Joseph H. Huston, Jr. (No. 4035)

Joseph Grey (No. 2358)

1105 N. Market Street, Suite 700

Wilmington, Delaware 19801

Telephone: (302) 425-3310

Facsimile: (610) 371-7972

Email: jhh@stevenslee.com

and

Charles J. Bloom

Neil C. Schur

Stevens & Lee, P.C.

1818 Market Street, 29th Floor

Philadelphia, Pennsylvania 19103

Telephone: (215) 751-1944

Facsimile: (610) 371-7956

Email: cjb@stevenslee.com

ncsc@stevenslee.com

Attorneys for Plaintiff Sovereign Bank

IN THE SUPERIOR COURT OF THE STATE OF DELAWARE
IN AND FOR NEW CASTLE COUNTY

SOVEREIGN BANK,

Plaintiff,

v.

TERWIN HOLDINGS LLC and
TERWIN EMPLOYEES LLC,

Defendants.

C.A. No.

NON-ARBITRATION

PRAECIPE FOR WRIT OF SUMMONS

TO THE PROTHONOTARY:

Kindly issue writ of summons for the complaint in this matter and direct the Sheriff of Kent County, Delaware to serve the writ of summons on the defendants as follows:

Terwin Holdings LLC
c/o Registered Agent Solutions, Inc.
32 W. Loockerman St.
Suite 201
Dover, DE 19904

Terwin Employees LLC
c/o Registered Agent Solutions, Inc.
32 W. Loockerman St.
Suite 201
Dover, DE 19904

Dated: January 25, 2008

STEVENS & LEE, P.C.

By /s/ Joseph H. Huston, Jr.

Joseph H. Huston, Jr. (No. 4035)
Joseph Grey (No. 2358)
1105 N. Market Street, Suite 700
Wilmington, Delaware 19801
Telephone: (302) 425-3310
Facsimile: (610) 371-7972
Email: jhh@stevenslee.com

and

Charles J. Bloom
Neil C. Schur
1818 Market Street, 29th Floor
Philadelphia, Pennsylvania 19103
Telephone: (215) 751-1944
Facsimile: (610) 371-7956
Email: cjb@stevenslee.com
ncsc@stevenslee.com

Attorneys for Plaintiff Sovereign Bank

IN THE SUPERIOR COURT OF THE STATE OF DELAWARE
IN AND FOR NEW CASTLE COUNTY

SOVEREIGN BANK,

Plaintiff,

C.A. No.

NON-ARBITRATION

v.

TERWIN HOLDINGS LLC and
TERWIN EMPLOYEES LLC,

Defendants.

SUMMONS

THE STATE OF DELAWARE,
TO THE SHERIFF OF KENT COUNTY
YOU ARE COMMANDED:

To summon the above-named Defendant, Terwin Holdings LLC, so that, within 20 days after service hereof upon plaintiff, exclusive of the day of service, Defendant shall serve upon JOSEPH H. HUSTON, JR., plaintiff's attorney, whose address is Stevens & Lee, 1105 North Market Street, Suite 700, Wilmington, DE 19801, an answer to the complaint.

Dated: _____

Prothonotary

Per Deputy

TO THE ABOVE NAMED DEFENDANT: DEFENDANT TERWIN HOLDINGS LLC

In case of your failure, within 20 days after service hereof upon you, exclusive of the day of service, to serve on plaintiff's attorney named above an answer to the complaint, and, if an affidavit of demand has been filed, an affidavit of defense, judgment by default will be rendered against you for the relief demanded in the complaint, or in the affidavit of demand, if any.

Prothonotary

Per Deputy

EFiled: Jan 25 2008 3:19 PM
Transaction ID 18270875
Case No. 08C-01-255 JRS



IN THE SUPERIOR COURT OF THE STATE OF DELAWARE
IN AND FOR NEW CASTLE COUNTY

SOVEREIGN BANK,

Plaintiff,

C.A. No.

v.

NON-ARBITRATION

TERWIN HOLDINGS LLC and
TERWIN EMPLOYEES LLC,

Defendants.

CERTIFICATION OF VALUE

I, Joseph H. Huston, Jr., attorney for plaintiff, hereby certify in good faith at this time in my opinion that the sum of damages of plaintiff is in excess of \$100,000.00, exclusive of costs and interest.

Dated: January 25, 2008

STEVENS & LEE, P.C.

By: /s/ Joseph H. Huston, Jr.

Joseph H. Huston, Jr. (No. 4035)

1105 N. Market Street, Suite 700

Wilmington, Delaware 19801

Telephone: (302) 425-3310

Facsimile: (610) 371-7972

Email: jhh@stevenslee.com

Attorneys for Sovereign Bank

EFiled: Jan 25 2008 3:19 PM EST
Transaction ID 18270875
Case No. 08C-01-255 JRS



IN THE SUPERIOR COURT OF THE STATE OF DELAWARE
IN AND FOR NEW CASTLE COUNTY

SOVEREIGN BANK,

Plaintiff,

C.A. No.

NON-ARBITRATION

v.

TERWIN HOLDINGS LLC and

TERWIN EMPLOYEES LLC,

Defendants.

SUMMONS

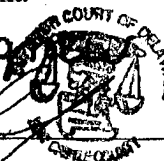
THE STATE OF DELAWARE,
TO THE SHERIFF OF KENT COUNTY
YOU ARE COMMANDED:

To summon the above-named Defendant, Terwin Employees LLC, so that, within 20 days after service hereof upon plaintiff, exclusive of the day of service, Defendant shall serve upon JOSEPH H. HUSTON, JR., plaintiff's attorney, whose address is Stevens & Lee, 1105 North Market Street, Suite 700, Wilmington, DE 19801, an answer to the complaint.

Dated: 2/5/08

Sharon Agnew
Prothonotary

Russell
Per Deputy



TO THE ABOVE NAMED DEFENDANT: DEFENDANT TERWIN EMPLOYEES LLC

In case of your failure, within 20 days after service hereof upon you, exclusive of the day of service, to serve on plaintiff's attorney named above an answer to the complaint, and, if an affidavit of demand has been filed, an affidavit of defense, judgment by default will be rendered against you for the relief demanded in the complaint, or in the affidavit of demand, if any.

Sharon Agnew
Prothonotary

Russell
Per Deputy



2008 FEB 11 AM 9:24

EXHIBIT B

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

SOVEREIGN BANK

Plaintiff,

v.

TERWIN HOLDINGS LLC and
TERWIN EMPLOYEES LLC.

Defendants.

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DECLARATION OF RICHARD CHUN

1. I, Richard Chun, am an adult individual. I am General Counsel of Terwin Holdings LLC (“Terwin Holdings”) and Terwin Employees LLC (“Terwin Employees”). I make this declaration based upon my personal knowledge and my inquiry, in my capacity as General Counsel, concerning the matters set forth herein.

2. Terwin Holdings is a Delaware limited liability company with two members: Terwin Employees and Lexia Yugen Sekinin Jigyo Kumiai.

3. Terwin Employees is a Delaware limited liability company with twelve members. Specifically, to the best of my knowledge after inquiry, the members of Terwin Employees are Kimberly Masko and Patrick Doyle who are citizens of California; Christopher Consoli, Barbara Chell, Gerald Casey, and James Sauer who are citizens of New Jersey; and Richard Winter, Thomas Guba, Karey Geddes, Alex Hendrickson, Robert Sypher, and John Tartaglia who are citizens of New York.

4. To the best of my knowledge after inquiry, (a) Lexia Yugen Sekinin Jigyo Kumiai is a Japanese limited liability partnership composed of Shinsei Bank and Shinsei Trust, and(b) Shinsei Bank and Shinsei Trust are Japanese banking entities with principal places of business in Japan and, as such, citizens of a foreign state.

5. I declare under penalty of perjury that the foregoing is true and correct. Executed on February 13, 2008.

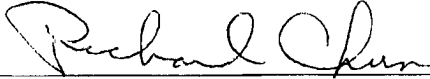

Richard Chun

EXHIBIT C

IN THE SUPERIOR COURT OF THE STATE OF DELAWARE
IN AND FOR NEW CASTLE COUNTY

SOVEREIGN BANK,

Plaintiff,

v.

TERWIN HOLDINGS LLC and
TERWIN EMPLOYEES LLC,

Defendants.

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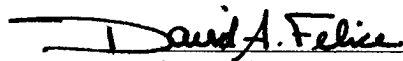
C.A. No. 08C-01-255-JRS

NOTICE OF FILING NOTICE OF REMOVAL OF CIVIL ACTION

TO: Prothonotary
Superior Court of the State of Delaware
New Castle County Courthouse
500 North King Street
Wilmington, DE 19801

PLEASE TAKE NOTICE that on February 13, 2008, Defendants Terwin Holdings LLC and Terwin Employees LLC, filed with the Clerk of the United States District Court for the District of Delaware a Notice of Removal, a true copy of which is attached hereto and served upon all parties of record.

Dated: February 13, 2008



Joseph J. Bellew (#4816)

David A. Felice (#4090)

Cozen O'Connor

1201 North Market Street, Suite 1400

Wilmington, DE 19801

Telephone: (302) 295-2000

Facsimile: (302) 295-2013

Attorneys for Defendants

Terwin Employees LLC and Terwin Holdings LLC

Of Counsel:

William J. Taylor, Esquire
John C. Barnoski, Esquire
Stuart A. Weiss, Esquire
Cozen O'Connor
1900 Market Street
Philadelphia, PA 19103
Telephone: (215) 665-2000
Facsimile: (215) 665-2013

CERTIFICATE OF SERVICE

I, David A. Felice, do hereby certify that on February 13, 2008, a true and correct copy of the foregoing were caused to be served upon counsel of record in the manner indicated:

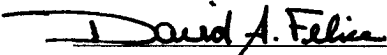
Via LexisNexis File & Serve

James H. Huston, Jr., Esquire
Joseph Grey, Esquire
Stevens & Lee, P.C.
1105 N. Market Street, Suite 700
Wilmington, Delaware 19801

Via LexisNexis File & Serve

Charles J. Bloom, Esquire
Neil C. Schur, Esquire
Stevens & Lee, P.C.
1818 Market Street, 29th Floor
Philadelphia, Pennsylvania 19103

Attorneys for Plaintiff Sovereign Bank



David A. Felice (#4090)

CERTIFICATE OF SERVICE

I, David A. Felice, do hereby certify that on February 13, 2008, I caused a true and correct copy of the foregoing to be served upon the following parties via the manners indicated:


Via First Class Mail

James H. Huston, Jr., Esquire
Joseph Grey, Esquire
Stevens & Lee, P.C.
1105 N. Market Street, Suite 700
Wilmington, Delaware 19801

Via First Class Mail

Charles J. Bloom, Esquire
Neil C. Schur, Esquire
Stevens & Lee, P.C.
1818 Market Street, 29th Floor
Philadelphia, Pennsylvania 19103

Attorneys for Plaintiff Sovereign Bank



David A. Felice (#4090)

JS 44 (Rev. 11-04)

CIVIL COVER SHEET

The JS-44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THIS FORM.)

I. (a) PLAINTIFFS
SOVEREIGN BANK**DEFENDANTS**

TERWIN HOLDINGS LLC and TERWIN EMPLOYEES LLC

(b) COUNTY OF RESIDENCE OF FIRST LISTED PLAINTIFF New Castle County, Delaware
(EXCEPT IN U.S. PLAINTIFF CASES)**COUNTY OF RESIDENCE OF FIRST LISTED DEFENDANT** _____
(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE LAND INVOLVED

(c) ATTORNEYS (FIRM NAME, ADDRESS, AND TELEPHONE NUMBER)James H. Huston, Jr./Joseph Grey, Stevens & Lee, P.C., 1105 N. Market Street, Suite 700,
Wilmington, DE 19801
(302) 654-5180**ATTORNEYS (If Known)**David A. Felice, Cozen O'Connor, Chase Manhattan Centre, 1201 North Market Street,
Suite 1400, Wilmington, DE 19801
(302) 295-2000**II. BASIS OF JURISDICTION** (Place an "X" in One Box Only)

- ☐ 1 U.S. Government Plaintiff
- ☐ 2 U.S. Government Defendant
- ☐ 3 Federal Question (U.S. Government Not a Party)
- ☒ 4 DIVERSITY (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES

(For Diversity Cases Only)

(Place an "X" in One Box for Plaintiff and One Box for Defendant)

- | | | | | | |
|---|----------------------------|----------------------------|--|---------------------------------------|---------------------------------------|
| | PTF | DEF | | PTF | DEF |
| Citizen of This State | <input type="checkbox"/> 1 | <input type="checkbox"/> 1 | Incorporated <i>or</i> Principal Place of Business in This State | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 |
| Citizen of Another State | <input type="checkbox"/> 2 | <input type="checkbox"/> 2 | Incorporated <i>and</i> Principal Place of Business in Another State | <input checked="" type="checkbox"/> 5 | <input checked="" type="checkbox"/> 5 |
| Citizen or Subject of a Foreign Country | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | Foreign Nation | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |

IV. NATURE OF SUIT (Place an "X" in One Box Only)

CONTRACT	TORTS		FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excl. Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input checked="" type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury	PERSONAL INJURY <input type="checkbox"/> 362 Personal Injury--Med Malpractice <input type="checkbox"/> 365 Personal Injury--Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 610 Agriculture <input type="checkbox"/> 620 Other Food & Drug <input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC §811 <input type="checkbox"/> 630 Liquor Laws <input type="checkbox"/> 640 R.R. & Truck <input type="checkbox"/> 650 Airline Regs <input type="checkbox"/> 660 Occupational Safety/Health <input type="checkbox"/> 690 Other LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Mgmt. Relations <input type="checkbox"/> 730 Labor/Mgmt. Reporting & Disclosure Act <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Empl. Ret. Inc. Security Act	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS - Third Party 26 USC 7609	<input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 810 Selective Service <input type="checkbox"/> 850 Securities/Commodities Exchange <input type="checkbox"/> 875 Customer Challenge 12 USC 3410 <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 892 Economic Stabilization Act <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 894 Energy Allocation Act <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 900 Appeal of Fee Determination Under Equal Access to Justice <input type="checkbox"/> 950 Constitutionality of State Statutes
REAL PROPERTY <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	CIVIL RIGHTS <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 444 Welfare <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 440 Other Civil Rights	PRISONER PETITIONS <input type="checkbox"/> 510 Motions to Vacate Sentence Habeas Corpus: <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition			

V. ORIGIN

(Place an "X" in One Box Only)

- ☐ 1 Original Proceeding
- ☒ 2 Removed from State Court
- ☐ 3 Remanded from Appellate Court
- ☐ 4 Reinstated or Reopened
- ☐ 5 Transferred from another district (specify)
- ☐ 6 Multidistrict Litigation
- ☐ 7 Appeal to District Judge from Magistrate Judgment

VI. CAUSE OF ACTION

(Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):

28 U.S.C. §§ 1332, 1441, and 1446

Brief description of cause:

Breach of contract

VII. REQUESTED IN COMPLAINT:☐ CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23

DEMAND \$43,428,781.19

Check YES only if demanded in complaint:

JURY DEMAND: ☐ YES ☒ NO**VIII. RELATED CASE(S) IF ANY**

(See instructions):

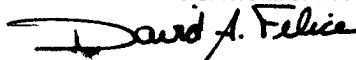
JUDGE _____

DOCKET NUMBER _____

DATE

February 13, 2008

SIGNATURE OF ATTORNEY OF RECORD



FOR OFFICE USE ONLY

RECEIPT# _____ AMOUNT _____ APPLYING IFP _____ JUDGE _____ MAG. JUDGE _____